

281.635 City bus franchises -- Department certification -- Supervisory and regulatory powers of cities -- Powers of cities as to taxicabs -- Rate regulations -- Exemption for human service transportation delivery vehicles.

Notwithstanding anything contained in this chapter:

- (1) All cities of the Commonwealth are vested with the power to sell franchises or, where no franchise is sold, grant authorizations for the operation of city buses over their streets and highways; provided, however, no person shall apply for or obtain any such franchise or authorization from any city without a prior finding by the Department of Vehicle Regulation, after a hearing, conducted pursuant to KRS 281.625, that there is a demand and necessity for the service sought to be rendered, which finding shall be valid and effective for a period of one (1) year from and after the date thereof, exclusive of any delay due to the order of any court. Upon certification by the department to a city that there is a demand and necessity for the service sought to be rendered, any city may award any duly qualified person a franchise or authorization covering the proposed operation. Upon acquiring a franchise or authorization, the holder thereof shall apply to the Department of Vehicle Regulation for a city bus certificate which shall be issued to the holder of the franchise or authorization without a hearing. The governing body of any city of the first five (5) classes which does not have a city bus service may determine that there is a demand and necessity for a city bus service, and may thereafter apply to the Department of Vehicle Regulation for a city bus certificate to be operated by the city which may be issued without a hearing, if the department determines that it will be in the public interest. Unless a certificate is exercised within one (1) year from the grant thereof, exclusive of any delay due to the order of any court, the authority conferred by the issuance of the certificate of convenience and necessity shall be void.
- (2) The applicant for a certificate or renewal of a certificate to operate a city bus shall at the time of application file with the department a map or maps showing the route or routes and territory proposed to be served, together with a time schedule, and shall thereafter, during the license year, file only those additional maps or time schedules that the commissioner may require.
- (3) The governing body of any city of the first four (4) classes in the Commonwealth in which city buses operate shall have supervisory and regulatory power over city buses, while operating in the city, and shall have authority to enforce all ordinances or regulations pertaining to routes, services, time schedules, and operation of the city buses and the drivers thereof, but any interested party may appeal to the department from any action, finding, or order of any city within thirty (30) days after the entry of the action, finding, or order, and a hearing shall be held before the department in the same manner as other hearings are held as provided for in this chapter; however, any action, finding, or order of any city shall be sustained if there is substantial evidence or reason to support it; otherwise the department shall make the orders as it deems necessary and proper. However, where a carrier's entire operation is confined to intracity transportation within the corporate limits of a single city, there shall be no appeal to the department from the actions, findings, or

orders of the city. Provided further, that where any city bus is subject to the regulatory powers of more than one (1) city and the regulations are in conflict or such as to impede the transportation facilities serving the cities, or the carrier is failing to furnish safe, adequate and convenient service to the public, the department may, upon complaint or on its own initiative, call a hearing and enter orders as are necessary and proper.

- (4) The governing body of any city of the first five (5) classes in the Commonwealth in which taxicabs operate shall have supervisory and regulatory power over taxicabs certificated to operate in the city, and while operating in the city, and shall have authority to enforce all ordinances or regulations pertaining to the number and operation of taxicabs, but any interested party may appeal to the department from any action, finding, or order of any city within thirty (30) days after the entry of the action, finding, or order, and a hearing shall be held before the department in the same manner as other hearings are held as provided for in this chapter; however, any action, finding, or order of any city shall be sustained if there is substantial evidence or reason to support it; otherwise, the department shall make any orders that it deems necessary and proper. However, where a carrier's entire operation is confined to intracity transportation within the corporate limits of a single city, there shall be no appeal to the department from the actions, findings, or orders of the city.
- (5) The governing body of any city of the first five (5) classes in the Commonwealth is hereby vested with the exclusive power to prescribe the qualifications with respect to the health, vision, sobriety, intelligence, ability, moral character, and experience of the drivers of taxicabs certificated to operate in the city, and while operating in the city, and may issue permits for qualified drivers. However, any taxicab driver must also possess a Kentucky operator's license.
- (6) Until any city of the Commonwealth enacts ordinances or prescribes rules and regulations as may be reasonably necessary to exercise the prior powers delegated in this section to the cities respecting the supervision and regulation of city buses, taxicabs, and taxicab drivers, the department shall possess the powers and may promulgate administrative regulations reasonably necessary to supervise and control city buses, taxicabs, and taxicab drivers, having regard for the public safety and the public need for service.
- (7) If any city fails to exercise any of the authority granted it in this section, the authority shall be vested in the department.
- (8) The department may, under the provisions of this chapter, originate, establish, change, promulgate, and enforce any rate that has or may be fixed by any contract, franchise, or agreement between the holder of any city bus certificate and any city, and all rights and obligations arising out of any contract regulating any rate shall be subject to the jurisdiction and supervision of the department, but no rate shall be changed nor any contract, franchise, or agreement affecting it be abrogated or changed until a hearing has been conducted.
- (9) The governing body of a city shall not have authority over a motor vehicle that is being operated as a human service transportation delivery vehicle under a contract with the Transportation Cabinet in accordance with KRS 96A.095(4).

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History: Amended 1998 Ky. Acts ch. 607, sec. 6, effective July 15, 1998. -- Amended 1996 Ky. Acts ch. 318, sec. 197, effective July 15, 1996. -- Amended 1978 Ky. Acts ch. 232, sec. 11, effective June 17, 1978. -- Amended 1974 Ky. Acts ch. 74, Art. IV, sec. 20(2); and ch. 307, sec. 1. -- Created 1950 Ky. Acts ch. 63, sec. 14, effective June 15, 1950.